

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

UNITED STATES OF AMERICA,)
)
Plaintiff,)
) NO. 4:20 CR 00135 SRC
v.)
)
LAWRENCE ARNOWITZ,)
)
Defendant.)

GOVERNMENT'S SENTENCING
MEMORANDUM

Comes now the United States of America, by and through The United States Attorney's Office for the Eastern District of Missouri and Hal Goldsmith, Assistant United States Attorney for the Eastern District of Missouri, and for its Sentencing Memorandum, states to this Honorable Court as follows:

1. From January, 2011 through his resignation from office during March, 2020, Defendant served as the elected Alderman for the 12th Ward in the City of St. Louis. Prior to his election as Alderman, and for several decades, Defendant was employed in a number of patronage positions in various offices within the City of St. Louis government. Thus, for almost 45 years, this Defendant earned his livelihood from the citizen taxpayers of St. Louis, and he owed them his trust because, after all, public service is a public trust. During the past five years, this Defendant abused his position of public trust by stealing from his campaign account which was funded by donations from individuals and businesses that supported his political position as the elected Alderman. This defendant's criminal conduct was reprehensible, particularly considering his position as an elected official and the false representations he made to his

supporters concerning his purported use of their donated funds. He owed his supporters and the residents of St. Louis who paid his salary his honest services, and he abused their trust through his criminal conduct here. Application of the United States Sentencing Guidelines here advises a sentence of 12 to 18 months' imprisonment. This Court's sentence should be fair and just under the facts and circumstances presented, and acknowledge the extent of defendant's criminal conduct and the harm his conduct caused to the public who mistakenly placed their trust in him.

2. Title 18, United States Code, Section 3553(a) sets out the factors this Court should consider in fashioning an appropriate sentence. The first such factor to be considered is the nature and circumstances of the offense, and the history and characteristics of the defendant, 18 U.S.C. 3553(a)(1). During the period of his scheme, Defendant used his campaign account like his personal piggy bank, making numerous cash withdrawals from the account in order to pay for improper personal expenses. Defendant also held fundraising events where he received cash donations, and instead of depositing those cash donations into his campaign account, he again used those cash funds for his own personal expenses, unrelated to any legitimate campaign or reelection efforts. Defendant also used funds from his campaign account to directly pay for improper personal expenses, such as payments on his personal residence mortgage. All the time, Defendant was lying to his political supporters, falsely representing that he would use their donated funds for legitimate campaign and reelection efforts. Further, Defendant flaunted the rules of the Missouri Ethics Commission in order to conceal his criminal conduct, and filed multiple false financial reports which failed to disclose receipts and improper disbursements from his campaign account.

3. In reviewing defendant's history and characteristics, this Court should also consider

that on February 28, 2020, when Special Agents of the FBI and the undersigned approached defendant to interview him about his knowledge of the campaign funds theft, defendant initially made false statements. For example, defendant falsely denied that the cash withdrawals which he had made from his campaign account were for improper personal expenses, stating instead that the withdrawals were purportedly to pay people who helped with his campaign. Defendant also fabricated a story that he had used \$5,000 from his campaign account to pay an individual for his campaign office rent, when he well knew that the \$5,000 had been used by him to improperly pay a portion of his personal residence mortgage. Defendant also made repeated statements that federal law enforcement should not be involved with investigating any improprieties with his campaign account, and that the Missouri Ethics Commission would simply levy a small fine for any misconduct.

4. Further as to Defendant's history and characteristics, attached as Exhibit A is a letter received from an anonymous individual which addresses concerns with Defendant's criminal conduct. Significantly, attached to the anonymous letter is a posting made by Defendant to a neighborhood blog where Defendant espouses what can only be described as a conspiracy theory that, "there was some political people who called the feds. higher ups who wanted me out. Should have been reported the ethics commission rumor is I was making to many steps towards the Mayors race (again no excuse on my part)." Defendant points his finger at imaginary individuals who worked to somehow stifle his political ambitions at becoming Mayor. This clearly evidences a lack of acceptance of responsibility on the part of Defendant.

5. This is *not* a victimless crime. Our elected officials should be held accountable for their criminal conduct; the victim supporters and citizens deserve it, and fairness and justice require it. Defendant was a public official, and the public should have been able to count on him and trust

him to provide them with his honest services. Instead this defendant broke that trust here and should be justly punished.

WHEREFORE, the United States of America prays that this Honorable Court sentence defendant to an appropriate sentence, and for such other relief as this Court deems appropriate and just under the circumstances.

Respectfully submitted,

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United States Attorney

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CERTIFICATE OF SERVICE

I hereby certify that on August 21, 2020, the foregoing was filed electronically with the Clerk of the Court to be served by operation of the Court's electronic filing system upon the defendant's counsel of record.

/s/ Hal Goldsmith
HAL GOLDSMITH
Assistant United States Attorney